



# Policy Committee

September 14, 2023  
At 9:00 a.m.  
ECIDA Offices  
95 Perry Street, 4<sup>th</sup> Floor Conference Room  
Buffalo, New York 14203

1. Call Meeting to Order
2. Approval of the August 3, 2023 Policy Committee Meeting Minutes (Pages 2-4)
3. Project Matrix (Page 5)
4. Compliance Matters
  - a) Aakron Rule Corporation – Workforce Update (Informational) (Pages 6-12)
  - b) Life Technologies Corporation – Local Labor Waiver (Action Item) (Pages 13-22)
  - c) 467 Richmond Ave/REVPAC – Recapture Proceedings (Action Item) (Pages 23-28)
5. Adjournment - Next Meeting October 5, 2023 at 9:00 a.m.

**MINUTES OF A MEETING OF THE  
POLICY COMMITTEE OF THE  
ERIE COUNTY INDUSTRIAL DEVELOPMENT AGENCY**

**DATE AND PLACE:** August 3, 2023 at the Erie County Industrial Development Agency, 95 Perry Street, 4<sup>th</sup> Floor Conference Room, Buffalo, New York 14203

**PRESENT:** Zachary Evans; Richard Lipsitz, Jr.; Dr. Susan McCartney; Brenda W. McDuffie; Hon. Glenn R. Nellis; Laura Smith; Lavon Stephens and Paul Vukelic

**EXCUSED:** Denise Abbott; April Baskin; Hon. A.J. Baynes; Rev. Mark E. Blue; Hon. Bryon W. Brown; David J. State and Hon. John Tobia

**OTHERS PRESENT:** John Cappellino, President and Chief Executive Officer; Beth O’Keefe, Vice President of Operations; Mollie Profic, Chief Financial Officer; Grant Lesswing, Director of Business Development; Andrew Federick, Property & Business Development Officer; Soma Hawramee, Compliance Portfolio Manager; Brian Krygier, Director of Information Technology; Carrie Hocieniec, Operations Assistant; and Robert G. Murray, General Counsel/Harris Beach PLLC

**GUESTS:** Alex Carducci on behalf of the City of Buffalo; Marco Riccioni, Joe Aliasso on behalf of IMA Life North America; and Byron DeLuke on behalf of Montante Construction

There being a quorum present at 9:07 a.m., the Meeting of the Policy Committee was called to order by Mr. Lipsitz.

**MINUTES**

The minutes of the July 13, 2023 Policy Committee meeting were presented. Upon motion made by Ms. McDuffie to approve of the minutes, and seconded by Mr. Nellis, the aforementioned Policy Committee meeting minutes were unanimously approved.

**PROJECT MATRIX**

Mr. Cappellino reviewed the Agency’s Project Matrix. Mr. Lipsitz directed that the report be received and filed.

**PROJECT PRESENTATION**

IMA Life North America, 700 Colvin Woods Parkway, Tonawanda, New York 14150.  
Ms. O’Keefe presented this proposed sales tax and real property tax abatement benefits project involving the construction of a 80,000 sq. ft. facility that will include 50,000 sq. ft. of production space and 30,000 sq. ft. of office space, as well as exterior parking, truck court, and dumpster areas. The new facility will include a development laboratory, three production bays, and warehouse space for the development, sale, assembly, testing, and shipping of Freeze Dryers for the pharmaceutical section as well as corporate office space.

Ms. McDuffie spoke in favor of the project and queried as to use of MWBE contractors. Mr. DeLuke, on behalf of the company, confirmed the company provided a list of local MWBE vendors and confirmed it has worked with about ½ of the firms on the list and intends to do so for this project.

Mr. Vukelic queried as to driving force behind the expansion. Mr. DeLuke stated that increased business is the driving force behind the expansion.

Ms. Smith spoke in favor of the project.

Ms. O’Keefe confirmed that IMA Life North America is seeking approximately \$3,208,568 in assistance including sales tax exemption and real property tax exemption. Total payroll is projected at \$271,708,435 which includes the direct and indirect jobs for both the temporary and ongoing positions over the life of the PILOT. Created jobs include 110 construction jobs. The resulting cost benefit is 87:1 so for every \$1 of incentives the community benefit is \$87 in payroll & tax revenue. For Erie County: for every \$1 of incentives the community benefit is \$95 in benefits to the community.

Ms. O’Keefe stated that in exchange for providing the sales and use tax and real property tax abatement benefits, the approval of this project will be conditioned upon adherence to certain material terms and conditions with respect to the potential modification, recapture and/or termination of financial assistance as follows:

**Draft Recapture Material Terms**

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total Project Amount = \$27,556,179 85% = \$23,422,752
Employment	Coincides with 10-year PILOT	Maintain Base = 120 FTE Create 85% of Projected Projected = 30 FTE 85% = 25 FTE Recapture Employment = 145 FTE

Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to policy
Recapture Period	Coincides with 10-year PILOT	Recapture of state and local sales taxes and real property tax

Ms. Smith moved and Dr. McCartney seconded to recommend the project as proposed be forwarded to the members of the ECIDA for approval. Mr. Lipsitz called for the vote and the project was then unanimously approved.

### **WORK FROM HOME POLICY DISCUSSION**

Mr. Cappellino reviewed current “post-pandemic” workforce and work from home status and trends. He further described ECIDA material employment terms requiring companies to maintain existing work force and create jobs and maintain those employee positions through a defined period of time and also described the assumption that the employee positions were at the project site. Mr. Cappellino further discussed and highlighted the nuances of what working remotely may mean with respect to meeting the company’s job retention and job creation requirements. General discussion ensued with consensus being built around addressing this issue on a case by case basis when and if this issue arises.

There being no further business to discuss, Mr. Lipsitz adjourned the meeting at 9:55 a.m.

Dated: August 3, 2023

\_\_\_\_\_  
Elizabeth A. O’Keefe, Secretary

## Tax Incentives Approved - 2023

Approval Date	Project Name	Project City/Town	Private Investment/Project Amount	Minimum Investment Commitment	FT Jobs Retained	PT Jobs Retained	FT Jobs to be Created	PT Jobs to be Created	Job Creation	Const Jobs	Spillover Jobs	Length of Term	Incentive Amount	Cost Benefit Ratio
Feb-23	356 Hertel Ave, LLC <sup>1</sup>	Buffalo	\$32,067,800	85% threshold \$27,257,630	0	0	42	0	85% - New 35 Jobs	212	150	project completion date + 2 yrs	\$612,500	1:47
Feb-23	Commitment 2000	Buffalo	\$8,623,800	85% threshold \$7,330,230	74	2	10	2	85% - New 35 Jobs	38	38	Period of PILOT 7 Years	\$420,215	1:89
Mar-23	Moog, Inc.	Elma	\$76,750,800	85% threshold \$65,237,500	180	0	0	0	0	335	320	Period of PILOT 10 Years	\$2,900,920	1:97
Apr-23	Wood and Brooks Properties, LLC <sup>1</sup>	Tonawanda	\$23,127,638	85% threshold \$19,658,492	0	0	1	2	85% - New 1 Job	161	92	project completion date + 2 yrs	\$1,164,447	1:14
May-23	TM Montante/50 Gates Circle <sup>1</sup>	Buffalo	\$3,465,838	85% threshold \$2,945,962	4	0	0	0	0	14	14	project completion date + 2 yrs	\$108,500	1:29
Jun-23	Rosina Food Products, Inc.	West Seneca	\$16,000,000	85% threshold \$13,600,000	274	2	15	0	85% - New 15 Jobs	70	536	Period of PILOT 10 Years	\$919,525	1:446
Jun-23	Stark Real Estate Holdings	Tonawanda	\$16,250,000	85% threshold \$2,945,962	50	0	120	10	85% - New 106 Jobs	43	257	project completion date + 2 yrs	\$454,375	1:854
Jul-23	BPS Commissary Kitchen	Buffalo	\$33,067,799	85% threshold \$28,107,629	16	35	0	15	85% - New 12 Jobs	151	137	Period of PILOT 10 Years	\$3,212,686	1:15
Jul-23	Trautman Associates/130 Pearl, LLC <sup>1</sup>	Buffalo	\$5,477,047	85% threshold \$4,655,489	0	0	0	2	0	36	19	project completion date + 2 yrs	\$153,750	1:21

Totals:

Totals: Private Investment/Project Amount: \$64,138,323; FT Jobs Retained: 4; PT Jobs Retained: 0; FT Jobs Created: 43; PT Jobs Created: 4; Const Jobs: 423; Spillover Jobs: 275; Incentive Amount: \$2,039,197

Adaptive Reuse Subtotal	4	\$64,138,323	4	0	43	4	4	423	275	\$2,039,197
2023 Total	9	\$214,830,722	598	39	188	31	1060	1563	\$9,946,918	

<sup>1</sup> Adaptive Reuse

## Aakron Rule Corporation (“ARC”) Workforce Challenges

### Background

As the region continues to recover from the effects of the pandemic, local businesses are adapting to new economic and social realities, including market disruptions, increased costs, and significant workforce challenges. Aakron Rule Corp. has faced significant challenges that have impacted their ability to meet their employment requirements. Below is a summary of their experience in 2022 to shed light on these circumstances:

- **Pandemic Impact:** Before the onset of the COVID-19 pandemic in early 2020, ARC consistently met the Agency's employment requirements. However, the pandemic resulted in the involuntary closure of their facility for several months due to the New York State Governor's Executive Orders. This led to the furlough of all but 31 employees at the Akron facility, as it was classified as a non-essential business. Subsequently, when reopening was permitted, it occurred incrementally with strict capacity limitations. This situation prompted the retirement of some older employees, while others opted not to return to work. Since then, ARC foremost challenge has been the recruitment and retention of employees, especially for production roles. Efforts have been made to increase the Full-Time Equivalent (FTE) headcount from a low of 38 in 2020 to the current level of 103.
- **Challenges in Hiring and Retention:** The primary concern remains the difficulty in recruiting and retaining employees. ARC has open positions for which active recruitment efforts are ongoing. However, the rural location of Akron, devoid of public transportation, combined with the presence of several manufacturers within a 10-mile radius, has created intense competition for the limited pool of available talent.

Various strategies have been implemented to attract and retain employees, such as maintaining steady employee premiums on health and dental coverage, providing hybrid and remote work options, providing multiple pay rate increases, offering flexible shifts, implementing an employee referral program, utilizing temp agencies for recruitment, conducting weekly hiring events, and establishing partnerships with educational institutions and job fairs. Addressing the acute labor shortage in the Akron area remains a significant operational challenge.

### Discussion

Aakron Rule Corp. appreciates the understanding of its situation and remains open to further discussions on how to address these challenges while continuing its commitment to job creation in the region.

## Aakron Rule Corp. Employment Data

Project Details	
Inducement Date	4/26/17
Jobs at Application Required (100%)	145 FTE
Jobs at Application Required (90%)	131 FTE
Jobs to be Created (100%)	13 FTE
Jobs to be Created (85%)	11 FTE
<b>MIN FTE per Adjusted Agreement</b>	<b>142 FTE</b>
New jobs required by	9/11/21
Recapture End Date	12/31/28

### Aakron Rule Corp: Employment 2022 - 2023





June 5, 2023

Soma Hawramee  
Compliance Portfolio Manager  
Erie County Industrial Development Agency  
95 Perry Street  
Buffalo, New York 14203

Re: Aakron Rule Corporation ("ARC") - Financial Assistance from Erie County  
Industrial Development Agency ("Agency")

Dear Ms. Hawramee:

I write in response to your letter dated May 18, 2023. As you may know, ARC is a second generation, family owned business that has been operating in the Village of Akron since its founding more than 50 years ago. We are proud of our heritage, our business and our team of dedicated employees. We also appreciate the Agency's financial assistance granted to ARC in 2017, and we are aware of the job commitments we made in connection with that assistance. We provide the following details regarding the business circumstances we have been facing.

ARC had been meeting all Agency requirements for financial assistance until the onset of the pandemic in early 2020. In March of 2020, our facility was shut down involuntarily for several months due to the New York State Governor's Executive Order(s), when all but 31 employees at the Akron facility were furloughed as Aakron Rule was deemed to be a non-essential business. When we were permitted to re-open later that year, it was a staged reopening with only certain % of people allowed in our buildings. As a result, several older employees retired, and many other employees decided not to come back to work. Since that time, we have struggled greatly to hire employees, especially production employees, to work at the facility. Nevertheless, we have increased FTEs from a low of 31 in 2020 to the current number of 109.

Hiring and retaining employees remains our top challenge. We currently have 41 open positions for which we have been seeking applicants. If we could fill just 75% of the open positions, we would meet the Agency's FTE requirements.





As you know, Akron is in a rural area which has no public transportation, and there are several manufacturers located near us within a 10-mile radius. Therefore, we are all seeking to hire from the same, small pool of people.

Due to the lack of applicants and the large number of openings, our current staff are having to step in and work longer hours, and many are getting burned out. This is leading to more resignations than we experienced before the pandemic. Not only have the number of applicants applying for positions decreased, but many who apply don't show up for scheduled interviews. And, once hired, many simply never show up. As an example, we recently offered a position to a back-up foreman, who accepted the position, then failed to show up for work on the start date (nor have they otherwise communicated with us since accepting the job).

We recognized the need to enhance the compensation paid to our staff, and we have increased pay rates three times within the last year and a half. Overall, we have undertaken the following steps to attract candidates and retain existing staff:

Increased pay rates three times in the last 18 months.

Held steady employee premiums on Health or Dental Coverage for the last 2 years.

Contacted previous employees.

Provide hybrid/remote opportunities.

Offer flexible shifts.

Maintain an employee referral program.

Utilize Temp agencies for recruiting.

Conduct weekly hiring events.

Conduct outreach to high schools, colleges and have attended job fairs.

Member of Western New York College Connection

Unfortunately, these efforts have not helped us increase our employee count to pre-pandemic levels. Most frustratingly, we have had to turn down business from new and existing customers because of the limited number of production employees we have. We have operated another facility in Tennessee for over twenty years and, although we have experienced some of the same hiring issues there, the challenges there are not nearly as acute. Nevertheless, we have remained committed to our facility in Akron. In fact, since the pandemic, we have made capital investments in our Akron facility in excess of \$1.5 million.

We welcome any additional ideas or help that the Agency might provide.



Based on the foregoing, we respectfully request that the Agency's Policy Committee and Board of Directors not take any adverse action with respect to the financial assistance provided to us. Thank you.

Sincerely,

Aakron Rule Corporation

A handwritten signature in black ink that reads "Danielle I. Robillard". The signature is written in a cursive style with a large, sweeping flourish at the end.

By

Danielle I. Robillard, President

cc: Phillips Lytle LLP, Attn: Douglas W. Dimitroff, Esq.

**Aakron Rule**  
**\$2,670,000**  
**INDUCEMENT RESOLUTION**

<b>ELIGIBILITY</b>
<ul style="list-style-type: none"> <li>• NAICS Section - 321999</li> </ul>
<b>COMPANY INCENTIVES</b>
<ul style="list-style-type: none"> <li>• Approximately \$234,000 in real property tax savings</li> <li>• Approximately \$96,260 in sales tax savings</li> <li>• Up to 1% of the final mortgage amount. It is estimated the mortgage will be \$2,620,000 for a savings of \$26,200.</li> </ul>
<b>PROJECT BENEFITS</b>
<ul style="list-style-type: none"> <li>• The project will generate approximately \$62,000 of revenue to the local taxing jurisdictions over the abatement period representing \$11,000 to the County of Erie, \$3,000 to the Town of Akron, \$14,000 to the Village of Akron, \$34,000 to the Akron Central School District</li> </ul>
<b>EMPLOYMENT</b>
<ul style="list-style-type: none"> <li>• Current Jobs = FT 142 / PT 6</li> <li>• Projected Jobs = FT 155 / PT 6</li> <li>• The project is anticipated to create 13 new jobs two years after project completion</li> </ul>
<b>PROJECT HISTORY</b>
<ul style="list-style-type: none"> <li>• 02/21/2017 - Public hearing held. Transcript attached.</li> <li>• 04/26/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.</li> <li>• 04/26/2017 - Lease/Leaseback Inducement Resolution presented to the Board of Directors.</li> </ul>

Project Title: Aakron Rule  
Project Address: 8 Indianola Avenue  
Akron, New York 14001  
(Akron CSD)

**Agency Request**

A sales tax, mortgage recording tax and real property tax abatement in connection with the expansion of the company's existing manufacturing operations.

New Building Construction	\$1,450,000
Renovation	\$ 265,000
Manufacturing Equipment	\$ 500,000
Non-Manufacturing Equipment	\$ 100,000
Soft Costs/Other Costs	\$ 355,000
<b>Total Project Cost</b>	<b>\$2,670,000</b>
 85%	 \$2,269,500

**Company Description**

Aakron Rule was incorporated in New York State in January of 1967. Its first products included school rulers, office rulers, and yardsticks. In 1968, they entered the promotion products industry. Today Aakron Rule is the largest manufacturer of wooden rulers and yardsticks in the world and offer over 130 different items. The majority of the company's products are distributed within the U.S. with limited sales to international customers. 96% of the company's sales are to customers located outside of New York State.

**Project Description**

Aakron Rule currently occupies 77,000 sq. ft. within the Village of Akron. The proposed project involves the re-configuration of operations which will allow the company to become more energy efficient and also improve production capabilities. The company will be adding an additional 25,000 sq. ft. which will expand its existing warehouse and molding operations. The company will also be acquiring additional machinery and equipment.

**New Tax Revenue Estimated**

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 10-Year Abatement Period	Additional City Revenue over 10-Year Abatement Period	New Yearly Taxes Upon Expiration of Abatement Period
N/A	\$1,015,000	\$11,000	\$50,000	\$29,600
Combined Tax Rate: \$29				

## Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of the project amount. Total project Amount = \$2,670,000 85% = \$2,269,500
Employment	Coincides with 10-Year PILOT	Maintain Base = 145 Create 85% of Projected Projected = 13 85% = 11 Recapture Employment: 156
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-Year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 10-Year PILOT	Adherence to Policy
Recapture Period	Coincides with 10-Year PILOT	Recapture of State and Local Sales Taxes and Real Property Taxes

Recapture applies to:

- State and Local Sales Taxes
- Real Property Taxes
- Mortgage Recording Tax

### Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of project company must certify i) total investment amount equal to or greater than 85% of the anticipated project amount proposed ii) confirm that company has maintained 145 employees and created 11 new jobs at the facility iii) adhere to local labor policy during construction period and iv) confirm adherence to ECIDA unpaid taxes and pay equity policy for the recapture term.



MEMORANDUM  
September 14, 2023

ECIDA Policy Committee

Life Technologies Corporation– Local Labor Waiver Request

**Project Background:**

In December of 2020, the ECIDA Board approved incentives for Life Technologies Corporation, a subsidiary of Thermo Fisher Scientific (the “Company”), which proposed the construction of a 50,000 sq. ft. addition to the company’s existing facility located in the Town of Grand Island, NY. A condition of the approval which included a PILOT and sales tax benefits requires adherence to the ECIDA Local Labor Policy and its specific requirement that “[a]t least 90% of all Project employees of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively, the “Workers”) working on the Project Site must reside within the Local Labor Area.”<sup>1</sup>

**Local Labor Waiver Request:**

To date, Life Technologies has reported a combined quarterly total of 879 out of 996 contractors residing in the Local Labor Area, representing a utilization of 88.3% Local Labor for Phase I of the Project’s construction (see chart). The convergence of warranty restrictions, specialized construction demands, and the resource limitations imposed by the Covid-19 pandemic significantly influenced the project's labor selection process. The necessity for non-local labor resources was supported by both the distinctive nature of the required expertise and the challenges posed by the pandemic on labor availability and supply chains.

**Policy Discussion:**

The Local Labor Policy contains a provision that permits the ECIDA to grant a waiver from the Local Labor Policy’s 90% requirement under certain circumstances as so stated, below:

It is understood that at certain times, Workers residing within the Local Labor Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Labor Requirement (the “Local Labor Waiver Request”) based on the following circumstances: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers; (ii) specialized construction for which qualified Local Labor Area Workers are not available; or (iii) documented lack of Workers meeting the Local

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<sup>1</sup> The Local Labor Area includes the counties of Erie, Niagara, Chautauqua, Cattaraugus, Allegany, Wyoming, Genesee, and Orleans.

Labor Area requirement. The Agency shall evaluate the Local Labor Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

Life Technologies has provided documentation outlining the reasoning for the waiver request.

**Requested Action:**

The Company is seeking a waiver from the Local Labor Policy 90% requirement for the project.

Based upon the information provided by the Company as described herein, the Company's request for a waiver from the Local Labor Policy 90% requirement falls under the three permitted circumstances warranting a waiver from the Local Labor Requirement, being circumstances related to: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers; (ii) specialized construction for which qualified Local Labor Area Workers are not available; and (iii) documented lack of Workers meeting the Local Labor Area requirement.



**Life Technologies Corporation**  
 Quarterly Local Labor Survey Results Chart

Quarter	Total Labor	Total Labor in Area	Total Labor Out of Area	% in Area	% Out of Area	YTD % in Compliance
2021 Q1	104	102	2	98.1%	1.9%	98.1%
2021 Q2	173	172	1	99.4%	0.6%	98.9%
2021 Q3	216	190	26	88.0%	12.0%	94.1%
2021 Q4	141	128	13	90.8%	9.2%	93.4%
2022 Q1	21	9	12	42.9%	57.1%	91.8%
2022 Q2	156	121	35	77.6%	22.4%	89.0%
2022 Q3	71	54	17	76.1%	23.9%	88.0%
2022 Q4	81	71	10	87.7%	12.3%	88.0%
2023 Q1	33	32	1	97.0%	3.0%	88.3%

Total Labor to Date (In Area)	879
Total Labor to date (Out of Area)	117
<b>Total Labor to Date</b>	<b>996</b>

**LOCAL LABOR  
VERIFIED EXEMPTION REQUEST**

\*Applicant Name: Life Technologies Corporation, a Subsidiary of Thermo Fisher Scientific, Inc.

Contact: Mary McCormick

Phone (B): 716 464-0464

Phone (cell): N/A

Fax: N/A

e-mail: Mary.McCormick@thermofisher.com

**Local Labor Defined**

Local Labor is defined as individuals residing in Erie County, Niagara County, Chautauqua County, Cattaraugus County, Allegany County, Wyoming County, Genesee County, and Orleans County (collectively, the "Local Labor Area").

**Local Labor Requirement**

At least 90% of all Project employees of the general contractor, subcontractor, or subcontractor to a subcontractor (collectively, the "Workers") working on the Project Site must reside within the Local Labor Area. Companies do not have to be local companies as defined herein, but must employ local Workers residing within the Local Labor Area to qualify under the 90% local labor criteria.

It is understood that at certain times, Workers residing within the Local Labor Area may not be available with respect to a Project. Under this condition, the Company is required to contact the Agency to request a waiver of the Local Labor Requirement (the "Local Labor Waiver Request") based on the following circumstances: (i) warranty issues related to installation of specialized equipment or materials whereby the manufacturer requires installation by only approved installers; (ii) specialized construction for which qualified Local Labor Area Workers are not available; or (iii) documented lack of Workers meeting the Local Labor Area requirement. The Agency shall evaluate the Local Labor Waiver Request and make its determination related thereto based upon the supporting documentation received with such waiver request.

**Pursuant to the Local Labor Policy below are provisions outlining the categories of exemption.**

**REASON FOR REQUEST: (Attach additional sheets if necessary)**

Warranty issues related to installation of specialized equipment whereby the manufacturer requires installation action by only approved installers - **EXPLAIN** Please see attached.

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Specialized construction in which a local contractor is not available - **EXPLAIN** Please see attached.

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No local labor available for the project - **EXPLAIN** Please see attached.

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\*Applicant Signature: Michael K Michael

Date: July 24, 2023

Number of Workers Needing Verified Exemption (s): 117

Total number of workers on job site: 996

Send Completed Form to:

ECIDA - Attn: Soma Hawramee, Compliance Portfolio Manager  
95 Perry Street, Suite 403  
Buffalo, New York 14203

\*only applicants may submit verified exemption requests

**Life Technologies Corporation, a Subsidiary of Thermo Fisher Scientific, Inc.**  
**ECIDA Project ID: 10564**  
**LOCAL LABOR - VERIFIED EXEMPTION REQUEST**

**I. Company and Project Background**

Pursuant to a resolution duly adopted on December 16, 2020, Life Technologies Corporation, a Subsidiary of Thermo Fisher Scientific, Inc. (the "Company"), was appointed as an agent of the Erie County Industrial Development Agency ("ECIDA") for purposes of undertaking an expansion project at the Company's 3175 Staley Rd, Grand Island, NY 14072 facility (the "Project"). As a condition of this appointment, the Company agreed to create 60 net new jobs, and invest at least \$76,500,000. As an appointed agent of the ECIDA, the Company is eligible to participate in a Payment-in-Lieu of Taxes ("PILOT") agreement and received an exemption of Sales Tax on certain purchases related to the Project.

The Life Technologies Corporation brand is one of the premier global suppliers of cell culture products. Cell culture products manufactured at the Grand Island facility are used for a wide variety of applications in basic and applied life sciences research and in medical, diagnostic, therapeutic, and large-scale industrial biotechnology applications. Such applications include research into biological processes, cellular nutrition and genetic analyses, Covid-19 research, cancer research, AIDS research, and genetically engineered pharmaceutical drug manufacturing. The Company's intention in undertaking the Project was to expand the footprint of its existing manufacturing facility and increase production to meet growing customer demand.

Since the cell culture products manufactured at the Grand Island facility are a critical component of Covid-19 research, the Project's goal was to expand the facility's production capacity to support Operation Warp Speed. Operation Warp Speed was the federal government's initiative accelerating the development, manufacturing, and distribution of vaccines and other therapeutics to treat Covid-19 through public-private partnerships. Operation Warp Speed required that the Project be completed on an expedited timeframe to meet the nation's critical response efforts. With the accelerated timeline as its mandate the Company began the construction bid process for the Project.

**II. Reason for Request**

As an appointed agent of the ECIDA, the Company must meet certain requirements. One such requirement states that at least 90% of all general contractor, subcontractor, or subcontractor employees to a subcontractor working at the Project Site during the construction phase be comprised of "Local Labor". *Local Labor* is defined as individuals residing in Erie County, Niagara County, Chautauqua County, Cattaraugus County, Allegany County, Wyoming County, Genesee County, and Orleans County (collectively, the "Local Labor Area"). To date, the Company has reported a combined quarterly total of 879 out of 996 contractors as residing in the Local Labor Area, representing a utilization of 88.3% Local Labor for Phase I of the Project's construction. It is anticipated that the construction of the smaller Phase II of the Project, which is currently out to bid, will utilize Local Labor for its General Contractor.

The Company has undertaken its best efforts to meet the Local Labor target in its agreement with the ECIDA, however the circumstances prevented the Company from finding enough qualified labor inside the designated Local Labor Area. Local Labor was utilized where available for the level of skilled/complex work, schedule of completion, and availability of workforce allowed. Invitations to bid were submitted to multiple parties for each of the Project's discrete construction packages. As part of the bid solicitation process, the company's general contractor would review the subcontractor's capabilities, work history, ability to meet the project schedule, and history of meeting timelines and performing similar work successfully. Most of the bid process occurred in early 2021 and was impacted due to Covid, as many local subcontractors that were asked to bid on the project were unable to provide services due to a lack of available personnel and inability to meet project scope & timeline.

The Company respectfully requests the ECIDA's consideration of its Local Labor Waiver Request for the reasons stated below:

### Warranty Restrictions

The majority of Project labor from outside of the Local Labor Area was related to the construction of the facility's roof because warranty requirements allowed for only GAF Certified vendors to be utilized to perform this work. The Company received significantly fewer responses than anticipated through its bid process for roofing vendors, due to the impacts of Covid-19 limiting vendor's ability to supply enough workforce to complete the job. Of the responses received, one was in Western New York and the remaining two were located outside of the Local Labor Area. The vendor located in Western New York was unable to do the work because they couldn't meet Operation Warp Speed's project timeline due to a lack of resources resulting from the Covid-19 Pandemic. Therefore, the Company was required to select a GAF Certified vendor from outside of the Local Labor Area to complete the Project. The vendor chosen is a GAF Certified President's Club member. Approximately 40 contractors (4% of all 996 contractors) were related to this construction.

### Specialized Construction

The Project also contained multiple construction packages that required specialized construction for which local labor was not available. For example, approximately 11 contractors (1.1% of all 996 contractors) were related to the construction and installation of a modular cleanrooms. An important part of any life science related production, cleanrooms are environmentally controlled spaces that maintain a very low concentration of airborne particulates to prevent contamination. Modular cleanroom installations are typically highly specialized which limits those that can install them. The construction and installation of cleanrooms are generally undertaken by a small number of qualified providers nationwide. The Company was not able to identify a vendor from within the Local Labor Area to complete this work, and therefore had to utilize vendors from outside of the Local Labor Area.

Another highly specialized construction package was related to the shipment and rigging of Project equipment. Approximately 11 contractors (1.1% of all 996 contractors) were related to the transport, rigging, and installation of project equipment. The equipment manufacturer for the onsite blenders required the use of this particular vendor.

### Lack of Local Labor Available for Project

Lastly, the Project was also severely impacted by resource constraints brought on by the Covid-19 pandemic. Although the Company provided its general contractor with a list of preferred local vendors with which the Company had a positive work history, these resource constraints necessitated that the Company look outside of the local area to find labor to meet its project requirements. At the time that the Company placed many of these construction packages out to bid in early 2021, there were a number of concerns regarding labor shortages and supply chain issues. Generally, for each construction package placed out to bid, the Company's general contractor only received on average between one and three bids. Under traditional circumstances, the Company would expect to receive closer to nine bids per construction package. The Company received so few responses that it reached out to these specific local vendors to request that they bid on portions of the project. These limitations on the overall labor pool significantly impacted the company's ability to identify and contract with local vendors to provide steel for the Project and the chemical treatment of the facilities flooring.

Life science manufacturing facilities require floor surfaces that are specially treated to be chemical resistant, easily sanitized for hygienic reasons, and able to withstand abrasive wear and tear. Approximately 26 contractors (2.6% of all 996 contractors) were related to the installation and chemical treatment of the Project sites flooring. For this particular construction package, the Company only received two bids, one from a local vendor and the other from a vendor outside of the Local Labor Area. It should be noted, the Company anticipated receiving six to seven bids for this aspect of the project. Because of the size and scale of the Project, the Company required 25,000 Sq. Ft. of resilient flooring, the local vendor placing the bid was not capable of fulfilling the scope within the required timeline. This was in large part due to constraints on the availability of local labor.

Similarly, concerns regarding labor availability and supply chain shortages also played a significant factor in the selection of a structural steel vendor. Approximately 23 contractors (2.3% of all 996 contractors) were related to the construction of structural steel and other miscellaneous steel projects. As with many other aspects of the Project, the Company received fewer than the anticipated number of bids. Of the three bids received two were from vendors located in Western New York, and one was from a vendor located outside of the state.

The local vendors bidding on the construction package related to structural and other miscellaneous steel were not able to provide the Company a level of assurance that supply chain and labor shortages would not cause undue delay on the Project. As previously stated, this Project was in support of Operation Warp Speed and therefore had an accelerated project schedule. Therefore, the company selected the steel vendor located outside of New York. This vendor was selected because of they could guarantee their supply chain and labor would not impact project delivery schedule.

### **III. Conclusion**

As of the First Quarter 2023, the Company has utilized approximately 88.3% local labor for the expansion of its facility. The company estimates that of the 11.7% nonlocal labor utilized, 4% is related to Warranty Issues; 2.2% are related to Specialized Construction, and 4.9% (11.1% in total) are related to an overall lack of local labor. The stringent regulatory environment in which life science manufacturing facilities operate requires highly skilled contractors and subcontractors which can make it difficult for those unfamiliar with the industry to meet the necessary standards. This, coupled with the restrictive labor market brought on by the Covid pandemic, has caused the Company to seek service providers from outside the local labor base. It is for these above stated reasons that the Company respectfully requests that the ECIDA's consideration of its Local Labor Waiver Request. The Company remains committed to its partnership with the Erie County Industrial Development Agency and hope you will consider our request.

**Life Technologies Corporation- West Expansion  
\$90,000,000  
INDUCEMENT RESOLUTION**

<p align="center"><b>ELIGIBILITY</b></p>	<p>Project Title: Life Technologies Corporation-West Expansion (subsidiary of Thermo Fisher Scientific, Inc.)</p>														
<ul style="list-style-type: none"> <li>• NAICS Section - 3254</li> </ul>	<p>Project Address: 3175 Staley Road Grand Island, New York 14072 (Grand Island Central School District)</p>														
<p align="center"><b>COMPANY INCENTIVES</b></p>															
<ul style="list-style-type: none"> <li>• Approximately \$2,187,500 in sales tax savings</li> <li>• Approximately \$226,000 in real property tax savings</li> </ul>	<p align="center"><b>Agency Request</b></p> <p>A sales tax and real property tax exemption in connection with the construction of a 50,000 sq. ft. addition to the company's existing facility.</p> <table border="0"> <tr> <td>New Building Addition</td> <td align="right">\$36,200,000</td> </tr> <tr> <td>Renovations</td> <td align="right">\$ 7,200,000</td> </tr> <tr> <td>Manufacturing Equipment</td> <td align="right">\$25,000,000</td> </tr> <tr> <td>Non-Manufacturing Equipment</td> <td align="right">\$ 500,000</td> </tr> <tr> <td>Soft Costs/Other</td> <td align="right">\$21,100,000</td> </tr> <tr> <td><b>Total Project Cost</b></td> <td align="right"><b>\$90,000,000</b></td> </tr> <tr> <td> 85%</td> <td align="right"> \$76,500,000</td> </tr> </table>	New Building Addition	\$36,200,000	Renovations	\$ 7,200,000	Manufacturing Equipment	\$25,000,000	Non-Manufacturing Equipment	\$ 500,000	Soft Costs/Other	\$21,100,000	<b>Total Project Cost</b>	<b>\$90,000,000</b>	 85%	 \$76,500,000
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 85%	 \$76,500,000														
<p align="center"><b>EMPLOYMENT</b></p>															
<ul style="list-style-type: none"> <li>• Current Jobs - 818</li> <li>• Projected New Jobs - 60</li> <li>• Total Jobs After Project Completion: 878</li> <li>• Annual payroll: \$52,400,000</li> <li>• Estimated salary of jobs to be created: \$45,875</li> <li>• Estimated salary of jobs to be retained: \$59,940</li> </ul>	<p align="center"><b>Company Description</b></p> <p>Life Technologies, formerly known as Grand Island Biological was established in 1962 in Grand Island. Over the decades the company has undergone ownership changes including in November, 2008 when Life Technologies was created from the merger of Invitrogen Corporation and Applied Biosystems, Inc. In 2014, the acquisition of Life Technologies by Thermo Fisher Scientific, Inc. was completed, with Life Technologies Corporation remaining as a corporation and becoming part of the Life Sciences Solutions Group of Thermo Fisher Scientific.</p> <p>The company is one of the premier global suppliers of cell culture products. These products are used for a wide variety of applications in basic and applied life sciences research and in medical, diagnostic, therapeutic, and large scale industrial biotechnology applications.</p> <p>52% of the company's sales are to customers located outside of New York State and 45% outside the United States.</p>														
<p align="center"><b>PROJECT HISTORY</b></p>															
<ul style="list-style-type: none"> <li>• 11/24/2020 - Public hearing held.</li> <li>• 12/16/2020 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.</li> <li>• 12/16/2020 - Lease/Leaseback Inducement Resolution presented to the Board of Directors</li> </ul>	<p align="center"><b>Project Description</b></p> <p>Life Technologies' current facility in Grand Island is approximately 300,000 sq. ft. The proposed expansion project would increase the company's footprint by 50,000 sq. ft. The new facility will be utilized for the production of liquid animal origin free (AOF) products.</p> <p>Along with the purchase of approximately \$25M of manufacturing equipment, the company will also be making improvements to 12,000 sq. ft. of existing space.</p>														

### New Tax Revenue Estimated

Current Yearly Taxes	Estimated New Assessed Value	Additional County Revenue over 10-year abatement period	Additional Local Revenue over 10-year abatement period	New Yearly Taxes Upon Expiration of Abatement Period
\$0	\$1,000,000	\$11,700	\$48,000	\$28,600
Combined Tax Rate: \$28.16				

### Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At project completion	Investment amount equal to or greater than 85% of project amount. Total project amount = \$90,000,000 85% = \$76,500,000
Employment	Coincides with 10-year PILOT	Maintain base:818 Create 85% of Projected Projected =60 85% = 51 Recapture Employment = 869
Local Labor	Construction period	Adherence to policy including quarterly reporting
Pay Equity	Coincides with 10-year PILOT	Adherence to Policy
Unpaid Tax	Coincides with 10-year PILOT	Adherence to Policy
Recapture Period	Coincides with 10-year PILOT	Real Property Taxes and State and Local Sales Taxes

Recapture applies to:  
State and Local Sales Taxes  
Real Property Tax

### Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At completion of the project company must certify i) total investment amount is equal to or greater than 85% of the anticipated project amount; ii) company has maintained 818 FTE and created an additional 60 FTE jobs, iii) confirm adherence to local labor policy during construction and iv) its adherence to unpaid tax/pay equity policies for recapture term.



## MEMORANDUM

Date: September 14, 2023  
To: ECIDA Policy Committee  
Re: 467 Richmond Avenue, LLC/Rosanna Elizabeth Visual & Performing Arts Campus  
("REVPAC") – Recapture Options

### **Background**

On June 28, 2017, amended November 28, 2018, the ECIDA Board approved a sales tax benefit in the amount of \$345,625 and mortgage recording tax exemption to 467 Richmond, LLC/REVPAC in connection with the renovation and adaptive reuse of the property located at 467 Richmond Avenue which is the former Richmond Methodist Episcopal Church.

REVPAC received its sales tax benefit from 11/28/2018 through 2/28/22. REVPAC utilized a total of \$102,986.64 in sales tax benefits in those four years. The mortgage recording tax exemption was not utilized. REVPAC's recapture period is in effect from 11/28/2018 through 2/28/24 (two years after project completion).

As part of its material terms, REVPAC was required to retain 3 full-time equivalent employees. In September 2018, the ECIDA Board approved a two-tiered retention goal of 90 or 95 percent (depending on the number of employees a company has). Accordingly, REVPAC was required to maintain at least 3 full-time employees. Additionally, REVPAC was required to create 1 full-time equivalent position on or before 2/28/24.

In 2022, REVPAC submitted Quarter 1 & 2 employment data, based on the average, REVPAC had 1 FTE employee. Accordingly, REVPAC was 66% below its employment retention requirements in 2022.

Moreover, the project paused in late 2020 due to external factors, including legal issues, appeals, and the pandemic, resulting in delays. Staff was furloughed in 2021. Due to the impact of COVID-19, REVPAC was denied an extension for their construction loan, prompting them to halt the project, pending refinancing with a new lender. The company is currently pursuing new construction and permanent loans with support from economic and real estate development consultants.

### **Recapture Options**

ECIDA staff offers the following recapture options for discussion with the Policy Committee.

**Option #1** – Terminate the project, no recapture.

**Option #2** – Terminate the project and recapture total sales tax benefit utilized, totaling \$102,986.64.

**Option #3** – Amend the existing project and request approval from the board. Ensure continuous monitoring of material terms throughout the amended project's duration.

August 8, 2023

**RE: Extension of ECIDA Tax Abatement for 467 Richmond Ave LLC Project “Rosanna Elizabeth Performing Arts Center and Campus”**

Dear ECIDA Policy Committee and Board Members,

I appreciate the opportunity to provide the status of the 467 Richmond Ave, LLC (“Company”) project that has previously received approval for ECIDA tax relief and to appeal for an extension in the original abatement program for this worthy and important historic restoration and redevelopment project. The project’s historic building is on the National Parks Service (“NPS”) Registry of Historic Places.

As a brief background, between 2014-2016, the Company invested +/- \$2MM to stabilize the former Methodist church’s structural elements and building envelope. The fully mobilized project construction of \$10.7MM began in 2018 to renovate the former church into a commercial space focused on artistic production and performance as well as erect a separate 3-story apartment building with 8-rental units and a first floor commercial space. The Company sought and received approvals from NPS and SHPO for the renovation plans.

In 2017, this project was one of the first to be approved under the City of Buffalo’s new Unified Development Ordinance (“UDO”), commonly referred to as the “Green Code”. Shortly after receiving City planning, zoning and preservation approvals in 2017, the project was subject to an Article 78 proceeding brought by one neighbor. It was a generic and meritless argument meant only to stall and/or end the project. Despite the Company winning the case and two subsequent appeals, the project was placed under significant financial strain. The delay caused by the lawsuits held up both the historic tax credit syndication as well as the closing of permanent lending with Community Preservation Corporation.

By the end of 2019, the project team had revived the project with a new HTC partner (Foss Investments) and renewed a permanent loan interest by Key Bank and CPC. However, just as construction and financing was accelerating this second time, the COVID-19 pandemic hit and shut down the project for an additional 5 months. By October 2020, Key Bank and the HTC partner had considerable project fatigue due to these unforeseen delays. The Company worked to keep momentum and pledged an additional \$1MM equity investment from the ownership team and put together project fundamentals that the HTC investor could support.

At any given time between 2018 and early 2020, there were 3-10 full-time equivalent employees (“FTEs”) working on this project either through the payroll of 467 Richmond Avenue LLC, ECOSTANDARD Consultants, Savarino Companies, and/or BRD Construction. However, the financial and organizational strain on the Company and the lack of core reporting from the Company’s vendors left ECIDA with insufficient reports on the FTEs during project construction. By the end of 2020, the project had completely paused. The final built project was to be delivered in 2020. However, due to circumstances beyond the Company’s control as articulated



above, i.e. lawsuits and multiple appeals by external parties and a global pandemic which has had wide-ranging and negative economic impacts around the world, the Company is far behind in delivering the final Project, but remains optimistic and determined. In 2021, the Company had to furlow staff and both Savarino and BRD had completely paused work on the project.

Unfortunately, post COVID-19 Key Bank has been unwilling to extend the existing \$9MM construction loan and put the project into forbearance pending refinance with a new lender. Currently, the Company is seeking new construction and permanent lending with the additional support of economic development and real estate development consultants. The Company's project team has revised the project's financial model to support the original scope as proposed to ECIDA. The Company is engaged with potential tenants that would significantly bolster refinancing and has secured the the help of the local foundations and their support for this project, i.e, First Niagara Foundation, Oishei Foundation and Cullen Foundation. The Company is also working in collaboration with Local Initiative Support Corporation ("LISC"),and Empire State Development's Better Buffalo Fund ("BBF") where to-date the Company has secured \$1.5M interest-only loan from BBF. It is anticipated that the project's organizational re-stabilization and refinance can be completed by Q4 2024/Q1 2025. The scope of the project remains aligned with the scope that was initially approved by the ECIDA Board and Committee.

For additional project context, please know that I have been personally and financially committed to this project since the purchase of the building and parcels in 2014. I have lived in the neighborhood of the church (at Massachusetts and West Ferry) since 2009 but watched this church sit vacant since 1999 and saw this project as an important anchor to the advancement of livability for all residents but also as an important demonstration project for neighborhood level micro-development.

Originally, my brother and I invested +/- \$2MM to stabilize the former church buildings and remediate environmental hazards from the building - using funds from the distribution of my late mother's estate, the accumulated wealth of a profitable manufacturing business started by my grandfather of which she was a technical draftsman at a time when women didn't really populate those trades. We made the investment as a tribute to her.

It is my sincere hope that the Committee will continue to see the value in this effort and recognize the unwavering commitment that I, and my dedicated and skilled team, have for this project's completion and the creation of the jobs and economic development outcomes that led ECIDA to approve this project to begin with. We do not take lightly the opportunity to leverage the tax abatement program as one of many critical pieces to the project's financial model and one that the project critically relies upon for completion. It should be recognized that these ECIDA programs are the very reason that smaller, community-based projects can succeed. Despite the multiple challenges and adversity not uncommon to complicated historic preservation and urban infill projects, we hope to stand as an important model to future projects that rely upon the ECIDA programs as essential tools in the development toolbox for projects at any scale.

In closing, I respectfully request that the ECIDA's Policy Committee consider extending the financial assistance for the reasons outlined above rather than modify, terminate, and/or recapture such assistance.

Please note that I am willing to appear for a presentation to the Agency's Policy Committee, if appropriate to further explain the project and its status.

Your consideration in this matter and of this request is greatly appreciated. Please do not hesitate to contact me with any further questions or for additional clarification.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rachel Heckl', written in a cursive style.

Rachel Heckl  
Lead Partner and Owner  
467 Richmond Avenue, LLC

**467 Richmond Avenue, LLC/Rosanna Elizabeth Visual & Performing Arts Campus (REVPAC)  
\$10,775,636  
AMENDATORY INDUCEMENT RESOLUTION**

**ELIGIBILITY**

- NAICS Section - 531110

**COMPANY INCENTIVES**

- Approximately \$345,625 in sales tax savings.
- Up to \$50,000 in mortgage recording tax exemption.

**EMPLOYMENT**

- Current Employment - 3
- The project is anticipated to create 1 additional job after project completion

**PROJECT HISTORY**

- 5/31/2017 - Public hearing held. Transcript attached
- 6/28/2017 - Inducement Resolution presented to Board of Directors adopting a Negative Declaration in accordance with SEQRA.
- 6/28/2017 - Lease/Leaseback Inducement Resolution presented to the Board of Directors
- 10/23/2018 - Public Hearing held. No oral or written comments
- 11/28/2018 - Amendatory Inducement Resolution presented to the Board of Directors.

Project Title: 467 Richmond Avenue, LLC/Rosanna Elizabeth Visual & Performing Arts Campus (REVPAC)

Project Address: 467 Richmond Avenue  
Buffalo, New York 14222  
(Buffalo City School District)

**Amended Agency Request**

Approval is being sought to modify the original project description to include the addition of one 404 sq. ft. apartment unit which will serve as a live/work space for artists and will rent for approximately \$800/month. The company will also be applying to the City of Buffalo for the 485-a real estate exemption. All other components of the project remain unchanged.

**Agency Request**

A sales tax and mortgage tax exemption in connection with the redevelopment and adaptive reuse of the property.

Acquisition	\$ 192,026
Building Addition	\$ 300,000
Renovation	\$ 5,809,313
Equipment	\$ 1,246,400
Soft Costs	\$ 3,227,897
<b>Total Project Cost</b>	<b>\$10,775,636</b>

**Company Description**

467 Richmond Avenue, LLC was formed by Rachel Ann and Ryan Heckl for the purpose of undertaking this project on behalf of the Rosanna Elizabeth Visual & Performing Arts Campus ("REVPAC") The organization was formed specifically to support community-based projects that promote and support the arts and the social benefits derived from the arts, community development and other related social justice causes. REVPAC is an organization that will benefit performing arts groups by providing rehearsal space and a venue for performances for various artists and touring groups.

**Project Description**

The proposed project consists of the renovation and adaptive reuse of the property located at 467 Richmond Avenue which is the former Richmond Methodist Episcopal Church. The church is a historical structure and was constructed in the late 1800's. The facility which consists of 36,000 sq. ft. will be a campus for the utilization by performing arts groups and will incorporate and business meeting space, live/work space for artists and a recording studio.

REVPAC currently has 3 employees that will be located at the facility and the plan is to hire one additional employee.

In addition to the performing arts venue, the company plans to construct several market rate apartments on an adjacent property which will serve to create a revenue stream to cover the expenses of the campus. ECIDA sales tax and mortgage tax benefits will be limited solely to the renovation of the church, and the corporate and business meeting space. No benefits will be provided to the new housing component.

### Retail Determination

Use	Sq. Ft.	Cost	% of Project Cost
Performance/Event and Meeting Space	37,000	\$6,109,313	100%

On June 28, 2017, the Board determined that the project was a retail project and it was located in a highly distressed area and in compliance with Section 862 of the NY General Municipal Law, the chief executive officer of Erie County provided written confirmation confirming the financial assistance.

### Impact on Taxes

Current Yearly Taxes	Estimated Increase in Assessed Value	Additional County Revenue over 485-a Abatement Period	Additional Local Revenue over 485-a Abatement Period	Additional Yearly Revenue Upon Expiration of Abatement Period
\$12,200	\$2,500,000	\$193,000	\$135,000	\$83,000
Combined Tax Rate: \$33.00				

### Draft Recapture Material Terms

Condition	Term	Recapture Provision
Total Investment	At Project Completion	Investment amount equal to or greater than 85% of project amount Total project Amount = \$10,775,636 85% : \$9,159,290
Employment	See Recapture Term	Maintain Base: 3 Create 85% of Projected: Projected = 1 85% = 1 Recapture Employment: 4
Local Labor	Construction Period	Adherence to policy including quarterly reporting
Unpaid Taxes	See Recapture Term	Adherence to policy
Pay Equity	See Recapture Term	Adherence to policy
Recapture Period	2 years after project completion	State and Local Sales Taxes Mortgage Recording Tax

### Recapture

Pursuant to New York State General Municipal Law, the agency shall modify, recover, recapture or terminate any financial assistance taken by the company that is in violation of the GML.

At project completion the company must certify i) total investment is equal to or greater than 85% of the anticipated project amount; ii) confirm company has maintained 3 positions and has created 1 additional position iii) adherence to ECIDA local labor policy during construction and iv) adherence to unpaid tax and pay equity policies for the recapture term.